

AGAINST THE NEW MERCANTILISM: THE RELEVANCE OF ADAM SMITH

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I: Introduction: Economics, Political Economy and the Philosophy of History

While the 200th anniversary, in 1976, of the publication of *The Wealth of Nations* celebrated the writer who is justly famed as one of the greatest economists — the founder, in his *magnum opus*, of the discipline we now call “economics” — it will undoubtedly seem paradoxical to argue, as this essay will do, that Adam Smith’s relevance for our time is not primarily as an *economist*.

In so doing, I hasten to add, I am not denigrating his achievement in this sphere, his creation in the systematic form of the basic “tool box” (the concepts, methods, lines of approach) of positive economic analysis, the “apparatus of mind, [the] technique of thinking” which, as Keynes so notably pointed out, truly distinguishes economics as a science.¹ But Smith was not, of course, only an economist; he contributed to *belles lettres*, wrote a “speculative” history of astronomy, and, in *The Theory of Moral Sentiments*, composed a pioneering work in what we would today call social psychology. In keeping with this breadth of interest Smith’s economics was as far removed in essence as in time from the hyper-refinements of abstract technique and mathematical formulations which characterise contemporary economics. Moreover, the rediscovery of a longer version of his *Lectures on Jurisprudence* has recently underlined Smith’s fundamental concern with a philosophical, or more accurately (albeit anachronistically) *sociological* perspective on human society and its historical development, and his expressed intention (in *The Theory of Moral Sentiments*) to provide “an account of the general principles of law and government and the different revolutions they have undergone in different periods of society”.²

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II: Mercantilism and Neo-Mercantilism

Much of Smith’s philosophy of history in fact emerged in *The Wealth of Nations*, especially in his famous delineation of the “four stages” theory of economic, social and political development in which the mode of subsistence played a predominantly determining role in the development of class structure and the form of government. It was an approach which has quite justly been termed an “economic interpretation of history”, although attempts to characterise it as merely a proto-Marxist philosophy are ultimately unsuccessful.³ However, in the light of this broad historical and social perspective it is hardly surprising to find Smith’s economics resolutely a “political economy”, a wide-ranging analysis that took in the whole fabric of social life, its patterns of power, privilege and class in both their contemporary and historical settings.

The rootedness of Smith’s political economy in an analysis of the character and historical development of the “present establishment” of Europe⁴ is rendered particularly important and significant, however, by one of the great ironies of history: that 200 years after the publication of *The Wealth of Nations*, the “present establishment” of Europe once more bears — as we shall attempt to demonstrate in this essay — the most startling resemblance to that of Smith’s time, to the “commercial or mercantile system”. This observation is hardly original, of course. Following Keynes’ favourable reassessment of Mercantilist theory in *The General Theory*⁵ and the renewed obsession of all nations with securing a surplus on the balance of payments, many economists have labelled the commercial policy of the past few decades as, in the title of one work by Joan Robinson, *The New Mercantilism*.⁶

But it is important to realise that classic mercantilism was far more than simply a policy of obtaining a favourable balance of payments based upon the simple-minded formulas of “bullionism”, the confusion of precious metals with real wealth (i.e. productive material capital). It involved an increasingly complex policy of state regulation (in intention, if not always in successful practice) of the whole economic system — the encouragement and control of trade and labour associations, and the attainment of “full employment”. In the name of the “national

interest” competing and conflicting economic groups and functions were to be “harmonised” and co-ordinated; chaotic and hazardous competition would be replaced by “orderly” and “fair” development which would be in the interest of the whole community. As Professor Lipson wrote in the extremely thorough two volumes on the *Age of Mercantilism* in his *Economic History of England*:

[W]hat is distinctive of mercantilism is the more systematic application of a protectionist system in all spheres of the national economy in order to develop native productive sources of every kind ...⁷

That the study of mercantilism and the recognition of its contemporary parallels might prove of singular utility in understanding the dynamics and nature of our own social and economic system had indeed been stressed by the major historians of mercantilism. Professor Lipson, after completing his economic histories of both the mercantilist and modern periods and noting the “striking similarities”⁸ between them, made an interesting attempt to assess, in the work of this title, *A Planned Economy or Free Enterprise: The Lessons of History*.⁹ Likewise, Heckscher, in his monumental and classic work on mercantilism stressed the “innumerable similarities” and, while somewhat more cautiously than Lipson observing that “mercantilism cannot be resurrected in its entirety any more than any other historical phenomenon”, was equally sure however that its study would “contribute in various ways either positively or negatively, whether as a foundation or as an historical parallel, to a more profound insight into the problems of political economy both in the present and in the future”.¹⁰

III: The Wretched Spirit of Monopoly

What, then, is the significance for us today of Smith’s critical analysis of mercantilism? The core of that critique was not simply an abstract economic analysis of the obstacles that mercantilism had erected to the functioning of a competitive market system, but rather a truly radical exposure of, and attack on, the very driving motivation inherent in mercantilism was quite simply that of the “wretched spirit of monopoly”¹¹ manifest principally, and most vigorously, by the merchants and manufacturers. While “national prejudice and animosity”¹² undoubtedly added fuel to the call for, and successful attainment of, mercantilist legislation, Smith had no hesitation in declaring it to be “prompted always by the private interest of particular traders”¹³ nor in repeatedly excoriating the “impertinent jealousies of merchants and manufacturers”, and their “mean rapacity, the monopolising spirit”.¹⁴ Thus he wrote:

The principles which I have been examining took their origin from private interest and the spirit of monopoly ... That it was the spirit of monopoly which originally invented and propagated [the mercantilist] doctrine cannot be doubted, and they who first taught it were by no means such fools as they who believe it.¹⁵

Smith’s impassioned critique of mercantilism is so valuable precisely because its unblinkered and realistic exposure of the true character of what Professor Lipson called “Britain’s first planned economy” can help us transcend one of the most orthodox, and disastrously misleading intellectual clichés in contemporary political economic discourse. This *cliché*, or myth, has both its “left-” and “right-wing” variants. In the former, the growth of government intervention in the economy is seen as being generated by the need to restrain the rapacities of business enterprise and hence as almost invariably serving the interest of the masses. In the latter it is seen as simply the product of socialist or communist influence and its fellow travellers, which will ultimately end in the erection of a monolithic state socialist tyranny.

If Smith’s analysis had been kept in mind such simplistic mythology would surely never have taken root, let alone existed for so long. For only now have some historians and economists — and these almost wholly in America — begun to examine the

true record of the growth of state interventionism. Initially, and significantly, it was the so-called “New Left” historians who, disillusioned by the fact that the various forms of state control and regulation had apparently failed to produce a more egalitarian, just or free society, took a fresh, and close, look at what had really occurred. And what they in fact discovered was that, facing market conditions which (contrary to the traditional view) were increasingly *more* competitive and “insecure”, and with their eyes clearly set upon the privileges and profits that might be secured by the employment of state intervention, business interests both large and small had sought, encouraged, and utilised *socialist* ideas, movements and measures.¹⁶ A burgeoning stream of “revisionist” studies in economic and political history, emanating from scholars of all political colours and none, has largely confirmed the validity of this analysis.¹⁷ In economic theory, however, it has been those economists most directly in the Smithian, empirical, tradition, members of the so-called Chicago School like George J. Stigler¹⁸ and, even more ambitiously, the “new institutional economics” of Buchanan and Tullock and their associates, who have analysed realistically the workings of “public choice” and the “political market”.

IV: Neo-Mercantilism and Corporatism

However, in Britain only a handful of heterogeneous figures from journalism, economics and sociology, namely Samuel Brittan, Peter Jay, Patrick Hutber, Robert Moss, R. E. Pahl and Jack Winkler, have begun to transcend the orthodox images of both “left” and “right” to comprehend that the economic and political system presently emerging in the country cannot be understood in terms of either the ideals of social democracy or the harsh model of Soviet style state socialism.¹⁹ Instead, they have characterised it as the “corporate state”. In the words of its most thorough analysts, Pahl and Winkler, it is:

[A] comprehensive economic system under which the state intensively channels predominantly privately-owned business towards four goals ... Order, Unity, Nationalism and Success.²⁰

And although Pahl and Winkler seem to conceive of this emergent corporatism as a “*new* form of political-economic organisation”²¹ it should be clear that it would be hard to find anything more reminiscent of classic mercantilism: the pattern of the regulation and harmonising of various economic and functional interests to attain full employment and national prosperity. And what of the *reality* beneath the rhetoric of national unity and common interest? Once more, the “exclusive corporation spirit”, the “wretched spirit of monopoly” which Smith had exposed²² seems only too apparent. As Pahl and Winkler conclude from their research among a selected number of companies:

Business leaders will hardly object to this kind of interventionism. Indeed, it is precisely what those in larger companies want — a protected environment while they get on with their job. What the directors of large companies do *not* want is *laissez faire* competition. What they do want is capitalism without competition, a combination of state support and private control. What they will accept is corporatism.²³

Indeed, many firms, they discovered, were quite frank regarding their goals of price fixing and cartelisation and in their recognition of the “opportunity” inherent in state economic planning. One firm, they recounted, “willingly acted as an unofficial planning department for the government in drawing up longer-term investment and development plans for its industry, because it saw this as a way of manipulating policy decisions in the direction it favoured.”²⁴

V: The Contemporary Corporate State

Since Pahl and Winkler wrote, the evidence adducible for the thesis that we are rapidly entering a period of “neo-mercantilism”, a “corporate state”, piles ever higher. The Confederation of British Industry engages in ceaseless consultations and agree-

ments with the government of the day, and even the auspices of the *bete noire* of the businessmen, Anthony Wedgwood Benn (the alleged incarnation of “left wing” militancy), deterred few from participating in his recent National Energy Conference and demonstrating, as one report put it, their keenness “to secure stability rather than pursue competition”.²⁵ The “lame ducks” of industry, like British Leyland, Chrysler, and Alfred Herbert dig ever deeper into the public purse, while the front-ranks of “free enterprise”, like Babcock and Wilcox, Clarke and Chapman, Head Wrightson, G.E.C., and Reyrolle Parsons enter talks on “planning agreements” — and their share of the growing fund (£550 increased to £1,600 million) to aid industry under Section 8 of the Industry Act. And, as British industry becomes increasingly less willing and able to face the rigours of international competition, the cry against “unfair” competition and “dumping” grows in volume.

Smith would have been well acquainted with the sophistry of “interested falsehood” manifest in the plea for protection against cheaper imports voiced by the chairman of one of the largest textile manufacturers: “We are not looking for the taxpayers’ money”, he stated as he was in fact doing so. “All we are seeking is effective controls of imports.”²⁶ The “impertinent jealousies of merchants and manufacturers” are hardly confined to the upper ranks of business, however. They are none the less apparent in the attempts of the taxi drivers to suppress their mini-cab competitors, in those of the private security and investigation firms which seek government regulation to “protect” the public by effectively banning entry into these professions, or in those of the small shopkeepers’ union which sought the banning of mail order catalogues, trading stamps, supermarket “gimmicks” (glamour, soft lights, sweet music and attractive layout!) and bulk purchasing and storage in order to destroy their larger competitors.

The emerging corporate state is, of course, hardly identical in every feature with its classical mercantilist predecessors: a less reified concept of national prosperity and more humane concern for the actual material welfare of the great mass of the working population would be undeniable (although even this was not entirely absent from the mercantilist writings²⁷). However, Smith would surely not have been surprised overmuch by the most significant difference between his time and ours — the immense growth in power and importance of organised labour. Smith had, of course, always been deeply concerned with the welfare of the largest proportion of the population and deeply critical of the “tacit combination” of employers to keep wages at their lowest. He was quite clear in his assertion that “whenever the legislature attempts to regulate the differences between masters and their workers, its counsellors are always the masters”²⁸ and indeed even declared that “when the regulation ... is in favour of the workmen it is always just and equitable; but it is sometimes otherwise when in favour of the masters.”²⁹ But Smith had been equally well aware of the monopolistic role of the guilds, the restrictive practices of “(t)he trades, the crafts, the mysteries”³⁰ with their unnecessarily long apprenticeships and restrictions on entry, and equally critical of their “manifest encroachment upon the just liberty both of the workman and those who might be disposed to employ him”.³¹

Contemporary self-righteous accusations of “union-bashing”, living off the moral capital of past injustices and legal disabilities, would not have deterred Smith, I am sure, from recognising their manifestations and exercise of the “exclusive corporation spirit” in a period when the balance of economic power, legal status and legislative influence are very different.³² Moreover, the Marxist and Socialist doctrines of class unity and common interest among “the workers” would seem less a statement of social science than of normative political philosophy in the face of “impertinent jealousies” no less vigorous among those who sell their labour than those who sell any other product.³³ The ceaseless disputes regarding lines of demarcation and wage differentials do not seem to be in decline and when, as of writing, a

fierce dispute still rages between such unions as the National Union of Railwaymen, the Transport Workers’ Union and the Shop Distributive and Allied Trades Union, seeking to protect the livelihood of their members against what they have called the “expansionism” of the dockers’ attempts to extend the “dock work” classification to ever more unrelated and distant sites.

VI: Demystification and Political Economy

Radical sociologists of the so-called “left” have frequently spoken of the role of their analysis as one of “demystifying” political and economic life, the necessary exposure of its true nature prior to reform or reconstruction in the interest of the mass of the people. It is our contention here that Smith’s perspective is as relevant for our contemporary neo-mercantilism as it was for the mercantilism of his era. Smith’s work indeed stands in direct contradiction to the audaciously bizarre accusation of one self-described “ultra-Keynesian” defender of neo-mercantilism, John Knapp, that the “classic” and “neo-classic” tradition cannot provide a true “political economy”, a realistic and relevant analysis of the “social, political and other factors” involved in political-economic systems in either historical or contemporary periods.³⁴ Unfortunately for Knapp and especially for his plea for a “relaxed and tolerant attitude” to the practitioners and theorists of the modern mercantilism, Smith’s timely significance is precisely his achievement of such a political economy and its exposure of the dynamic of mercantilism as one of power, privilege and monopoly.

VII: The Role of Value in Analysis

Certainly no one would abandon the heritage of *wertfreiheit* in economics and the social sciences, the *positive* analysis by — in the words of Kenneth Boulding — “escaping from the swaddling clothes of moral judgment ... tak[ing] off into the vast universe of ‘is’ [and] escaping from the treacherous launching pad of ‘ought’.”³⁵ Yet as Boulding recognised, the ethical and normative dimensions of economics is ultimately inescapable, and, as even the most austere Austrian School exponents of “aprioristic” methodology and the “pure logic of choice” have argued, a *political economy* is essential to an understanding of the social fabric *as a whole*.³⁶ Writing in 1869, Professor James E. Thorold Rogers, an eminent but now forgotten disciple of Smith, wrote that “Smith’s political economy was a war against privilege and monopoly, as all honest political economy is, whether it be privilege on the part of the land-lords or masters, peasants or workmen.”³⁷ In an era of Eastern state socialism which hides a bureaucratic-military-technocratic “new class” behind a mask of “proletarian” and egalitarian rhetoric of national interest and social democracy, it is the task of *demystification*, wedded to “the liberal plan of equality, liberty and justice”³⁸ that seems most urgently relevant — and so radical — today. For those of us who consider ourselves radicals, Smith would indeed seem to offer a better guide than Marx, and the market mechanism appears increasingly vindicated as a progressive and humane social form. Smith’s “obvious and simple system of natural liberty”³⁹ is not (as indeed it was not in *The Wealth of Nations* itself) quite as simple as the phrase might suggest. Smith certainly never assumed any *spontaneous* identity of interests in the absence of government restrictions, and part of the unifying theme of his great work was precisely the way in which some institutions would channel human self-interest in a socially beneficial way and others (such as, but not solely, mercantilism) would not.⁴⁰ The exact character of the institutional framework best suited to this age (Smith was always aware of the changing historical context) is outside the scope of this essay, and Smith can hardly be blamed for not providing a map when he certainly did provide a compass.

VIII: Conclusion: The Market Versus the Present Establishments

In *The Political Economy of the New Left*⁴¹ Professor Assar Lindbeck has argued that many of the “new radicals” in the

“New Left”, disenchanted with the bureaucratic and coercive structures of both East and West, had ultimately to face a choice between two mutually exclusive social options, between the market economy and the command economy. Many of those whose motivation was *truly* one of “equality, liberty and justice” have indeed made such a choice and, like ex-SDS activist and Harvard philosophy professor, Robert Nozick, have opted for the

market as a *utopian* ideal.⁴² It would indeed be a further irony of history if, 200 years after the publication of *The Wealth of Nations*, we were not only faced with the emergence of “present establishments” that so closely resembled those of Smith’s time but also with the possible emergence of a new radicalism which would attack that system in the same market-oriented and liberal terms as Smith.

NOTES

- In his general introduction to the Cambridge Economic Handbooks. See “Introduction” to Hubert D. Henderson, *Supply and Demand*, Cambridge Economic Handbooks No. 1, Nisbet, London and Cambridge University Press, 1922, p. v. Keynes also added that “Before Adam Smith this apparatus of thought scarcely existed”.
- Quoted by A. S. Skinner, “Adam Smith: An Economic Interpretation of History”, in Skinner, A. S. and Wilson, T., eds., *Essays on Adam Smith*, Clarendon Press, Oxford, 1975, p. 155.
- For the Marxist view see Ronald L. Meek, “The Scottish Contribution to Marxist Sociology”, in *idem*, *Economics and Ideology*, Chapman and Hall, London, 1967. For the non-Marxist view see Duncan Forbes, “Sceptical Whiggism, Commerce and Liberty”, in Skinner and Wilson, *op cit*.
- Most notably in Books III and IV and the beginning of Book V.
- Chapter 23, “Notes on Mercantilism ...”, especially pp. 331-351, *The General Theory of Employment, Interest and Money*, The Collected Works, Macmillan, London, 1973.
- Cambridge University Press, 1966. Robinson, of course, approves. For critical views see Harry G. Johnson, “Mercantilism: Past, Present and Future”, in *idem*, *On Economics and Society*, University of Chicago Press, 1975; Murray N. Rothbard, “Money, the State and Modern Mercantilism”, in Helmut Schoeck and Helmut Wiggins, eds., *Central Planning and Neo-Mercantilism*, D. Van Nostrand, Princeton, New Jersey, 1964; Chiaki Nishiyama, “The End of Neo-Mercantilism”, paper delivered to The Mont Pelerin Society Conference, 1960; Deepak Lal, “The Wistful Mercantilism of Mr. Dell”, *The World Economy*, June 1978; Samuel Brittan, “The Model of a Modern Mercantilist”, *The Financial Times*, 5 May 1977. A critical Marxist comment on neo-mercantilism can be found in M. Beer, *Fifty Years of International Socialism*, George Allen and Unwin, London, 1935, pp. 226-7, 236.
- Lipson, *The Economic History of England, Vol. II: The Age of Mercantilism*, Adam and Charles Black, London, 1931, p. xi. And see also the important but neglected study by Edgar S. Furniss, *The Position of the Labourer in a System of Nationalism: A Study in the Labour Theories of the Later English Mercantilists*, Houghton Mifflin, Boston, 1920, which criticises the “disproportionate” degree of attention focussed on the external commercial policies of mercantilism to the detriment of the “vast body of theory and policy dealing with the domestic economy of the nation”, p. 3.
- Europe 1914-1939*, Adam and Charles Black, London, 1944.
- Adam and Charles Black, London, 1944.
- Eli F. Heckscher, *Mercantilism*, George Allen and Unwin, London, Rev. 2nd edn, 1955, Vol. II, p. 406.
- Adam Smith, *An Inquiry Into the Nature and the Causes of The Wealth of Nations*, J. M. Dent, London, Vol. I, p. 406.
- Ibid*, p. 417
- Ibid*, p. 418.
- Ibid*, p. 436.
- Ibid*, p. pp. 417, 436.
- See in particular, Gabriel Kolko, *The Triumph of Conservatism: A Reinterpretation of American History, 1900-1916*, The Free Press, Glencoe, Illinois, 1963; *idem*, *Railroads and Regulation, 1877-1916*, Princeton University Press, New Jersey, 1965; James Weinstein, *The Corporate Ideal in the Liberal State, 1900-1918*, Beacon Press, Boston, 1968; Ronald Radosh and Murray N. Rothbard, eds., *A New History of Leviathan*, E. P. Dutton, New York, 1972.
- Among a vast number see, for example, Samuel P. Hays, “The Social Analysis of American Political History”, *Political Science Quarterly*, September 1965; Robert Weibe, *Businessmen and Reform*, Quadrangle Books, Chicago, 1968; E. K. Hunt, “A Neglected Aspect of the Economic Ideology of the Early New Deal”, *Review of Social Economy*, September 1971; and S. P. Caine, *The Myth of a Progressive Reform*, State Historical Society, Madison, Wisconsin, 1970.
- Stigler, “Director’s Law of Public Income Redistribution”, *Journal of Law and Economics* (University of Chicago), April 1970; *idem*, “The Theory of Economic Regulation”, *Bell Journal of Economics and Management Science*, Spring 1971.
- Samuel Brittan, “Towards a Corporate State?”, *Encounter*, June 1975; Peter Jay, “The Biter Bit; or The Apotheosis of Corporatism”, *The Times*, 25 March 1976; Patrick Hutber, “CBI — The Case for Abolition”, *The Sunday Telegraph*; Robert Moss, *The Collapse of Democracy*, Maurice Temple Smith, London, 1976, p. 100; *idem*, “How Long Before the TUC Stormtroopers Rule Westminster?”, *The Daily Mail*, 16 February 1976; R. E. Pahl and Jack Winkler, “The Coming Corporatism”, *New Society*, 10 October 1974; *idem*, “Corporatism in Britain ...”, *The Times*, 26 February 1976; *idem*, “Corporatism in Britain”, in A. R. Isserlis, ed., *The Corporate State: Reality or Myth?*, Centre for Studies in Social Policy, London, 1972; Jack Winkler, *Corporatism*, Discussion Paper No. 2, The Seminar Series on Major Social and Economic Problems in the UK, Centre for Environmental Studies, London, February 1976. The most recent defence of corporatism can be found in Harold Wilensky, *The New Corporatism*, Sage Publications, London, 1978.
- Pahl and Winkler, “The Coming Corporatism”, *op cit*, p. 72.
- Ibid*, p. 72, my emphasis. While we may lack the detailed “revisionist” historical analysis that has taken place in America, even a cursory glance at the record would indicate that the affinity of business for state regulation is very far from a “new” phenomenon and certainly not restricted simply to “hard times” as Pahl and Winkler suggest — unless “hard times” is taken as a synonym for any degree of competitiveness in the economy! In an unfortunately neglected essay in *The Manchester School*, XIV(1), January 1946, pp. 53-71, just after the war, “Planning and Economic Privilege”, George Schwartz characterised the inter-war period as one of “sectional” planning supported by all ranks of business in their common search for “discrimination against sections of producers, or against sections of consumers” (p. 63). And in the post-war period a number of market-oriented economists were to excoriate the structure of the “restrictive society” which had been erected in the struggle for special privilege by interest groups ranging from the building trades to the “genteel” closed shops of the upper- and middle-classes — the “Professions”. See John A. Lincoln, *The Restrictive Society*, George Allen and Unwin, London, 1967; F. Knox and I. Hennessey, *Restrictive Practices in the Building Industry*, Research Monograph 1, Institute of Economic Affairs, London, 1966; D. S. Lees, *Economic Consequences of the Professions*, Research Monograph 2, Institute of Economic Affairs, London, 1966.
- Smith, *The Wealth of Nations*, Vol. I, *op cit*, p. 406.
- Pahl and Winkler, “The Coming Corporatism”, *op cit*, pp. 73, 75.
- Ibid*, p. 75.
- “After Bennday”, *New Society*, July 1976.
- Quoted by Nicholas Bilitch, “Back to 1776 — A Tribute to a Canny Scot”, *Land and Liberty* (London), May/June 1976, p. 43.
- Compare Furniss, *The Position of the Labourer*, *op cit*, p. 178 with Charles Wilson, “The Other Face of Mercantilism”, in D. C. Coleman, ed., *Revisions in Mercantilism*, Methuen, London, 1969. The ceaseless contemporary political sermons urging “belt tightening” and sacrifice upon the populace stimulates one to wonder just how much we might be returning to the classical mercantilist model. Pahl and Winkler certainly comment that in the corporate state “national economic performance has moral primacy over personal affluence or mobility”, “Corporatism in Britain”, *op cit*.
- Smith, *The Wealth of Nations*, Vol. I, *op cit*, p. 129.
- Ibid*, p. 129.
- Ibid*, 112.
- Ibid*, p. 110.
- See John A. Lincoln, *Journey to Coercion*, Polar Paperback, Institute of Economic Affairs, London, 1969 and Charles G. Hanson, *Trade Unions: A Century of Privilege?*, Occasional Paper 38, Institute of Economic Affairs, London, 1973.
- For a more recent, but unfortunately similarly unpursued example of realistic class analysis see Lionel Robbins, *The Economic Basis of Class Conflict*, Macmillan, London, 1939.
- John Knapp, “Economics or Political Economy?”, *Lloyds Bank Review* (London), January 1973.
- Kenneth E. Boulding, “Economics as a Moral Science”, *American Economic Review*, March 1969, p. 1.
- Walter E. Grinder and John Hagel III, “The Lost Art of Political Economy: An Explanatory Note” and “Towards a Theory of State Capitalism: Ultimate Decision-Making and Class Structure”, papers delivered at the Second Libertarian Scholars’ Conference, New York, October 1974.
- James E. Thorold Rogers, *Historical Gleanings*, First Series, Macmillan, London, 1969, p. 123.
- Smith, *The Wealth of Nations*, *op cit*, p. 180.
- Ibid*, p. 180.
- Nathan Rosenberg, “Some Institutional Aspects of the ‘Wealth of Nations’”, *Journal of Political Economy*, December 1960.
- Assar Lindbeck, *The Political Economy of the New Left: An Outsider’s View*, Harper and Row, New York, 1971.
- In his much discussed work *Anarchy, State and Utopia*, Basil Blackwell, Oxford, 1974, Nozick portrays and defends the classical liberal conception of the minimal state as a progressive and utopian ideal.